(b) Does not arise.

(c) TCIL have kept their commitment to buyers particularly those in public sector. However, in some cases delays have been reported in supply of conveyor belts due to production constraints but these have not been of a serious nature.

(d) No such instance has been reported.

(e) Does not arise.

(f) There is no proposal to upgrade the management of the Tyre Corporation of India Ltd.

Deteriorating Fate of Production in Tannery and Footwear Corporation of India Limited

745. PROF. SOURENDRA BHATTACHARJEE: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that the present Chief Executive/CMD of the Tannery & Footwear Corporation of India Limited has been steadily losing confidence of workers and staff, as a result of which the rate of production has deteriorated further;

(b) whether the liabilities of the Corporation have been on the rise;

(c) whether domestic sales of the products have also gone down substantially; and

(d) if so, what are the details thereof including the production achieved during the past two years, with comparative statement of sales and profit, if any?

THE MINISTER OF INDUSTRY (SHRI AJIT SINGH): (a) and (b) The production, sales and cash profit/loss of TAFCO during the last two years is as follows:—

(Rs. in laks)

Year	Total Value of production	Sale	Profit (+) loss (–)
1988	643.30	684.80	(.) S81·46
1989-90 (Prov.) . .	732 .42	871.65	(.) 479. 55

There has been an increase in production and sales during 1989-90 as compared to the previous year. The liabilities of he Company as on 31-3-1989 and 31-3-1990 are given below:—

(Rs. in crores)

	31-3-89	31-3-90 (Prov)
Current liabilities .	4.94	4.89
loans from Government	40.89	45.39
Interest due on loans from Government	58.23	47.83

Demand for the increase in the prices of Cement

746. SHRI SHIV PRATAP MISHRA: Will the Minister of INDUSTRY be pleased to state:

(a) whether Cement Industry has demanded an increase in the prices of cement due to increase in cost inputs; area.

(b) if so, what action has been taken by Government thereon?

THE MINISTER OF INDUSTRY (SHRI AJIT SINGH)): (a) to (d) The

After the introduction of the scheme of partial decontrol of cement in February, 1982, he Cement Industry had made representations at different intervals of time, seeking enhancement in the retention price of cement due to increase in the cost of production and input costs etc. The industry had been compensated either by increase in the retention price or by reduction in levy obligation or combination of both the measures. However, effective from 1-3-1989, Government has removed all controls on price and distribution of cement and thus, the question of making any increase in the price does not arise.

Expansion of Neyveli Lignite Corporation Limited

747. PROF. SOURENDRA BHATTACHARJEE: Will the Minister of ENERGY be pleased to state:

(a) whether it is a fact that the Spreader Project of IInd Mine Expansion Scheme of Neyveli Lignite Corporation Limited, Neyveli has been delayed for want of experienced handling by the MAN, GHH and WMI Limited;

(b) whether the contract was awarded in May 1986 to these firms against the wishes of the technical consultant of the project;

(c) whether the same firms had earlier caused losses to the corporation;

(d) whether investigation has been made to ascertain the reasons for awarding the contract to these firms; and

(e) if so, what are the details thereof?

THE MINISTER OF ENERGY WITH ADDITIONAL CHARGE OF THE MINISTRY OF CIVIL AVIATION (SHRI ARIF MOHD. KHAN): (a) The Second Mine Expansion Project of Neyveli Lignite Corporation has provision for two Spreaders. Spreader I was scheduled to be commissioned by 10-4-89 and Spreader II by 10-8-89. Spreader I is going to be commissioned shortly and Spreader II is expected to be commissioned by 10-12-90. The delay in commissioning of the two Spreaders cannot be attributed to inexperienced handling of the project by MAN-GHH and WMI Cranes; instead the delay has taken place for reasons like, delay in acquisition of land, difficulties in procurement of steel, non-availability of required quality of steel, design modifications, erection difficulties, etc.

(b) Neyveli Lignite Corporation had floated a global tender enquiry for the purchase of 2 Nos. 20,000 T|Hr. Spreaders for their Second Mine Expansion Project. In all, there were three tenderers, namely, M|s. MAN of West Germany with their Indian collaborator M|s. WMI Cranes, M|s. Mannesman Demag of West Germany with their Indian collaborator M|s. Mukund Steel and M|s. Krupp of West Germany with their Indian collaborator M|s. Buckau Wolf. M|s. Rheinbraun Consulting, West Germany, who were technical consultant for the project. did not initially recommend M|s. MAN on the ground that they lacked adequate experience of manufacturing Spreaders. However, on the basis of the range and variety of equipments supplied by M|s. MAN outside India as well as to NLC and the fact that M|s. Rheinbraun Consulting had qualified MAN for supply of sophisticated equipment like Bucket Wheel Excavator, Spreaders and mobile Transfer Conveyor for the Second Mine Stage I, NLC decided to keep MAN in the short-list to make the offers more competitive. This decision was also subsequently concurred in by M|s. Rheinbraun and KFW, the West German Financing Agency for the project. The order was finally placed on 10-5-86 on MAN|WMI Cranes as the price quoted by this firm was found to be the lowest after evaluation by the NLC.

(c) There was some delay on the part of M|s. MAN|WMI in the supply of equipment for Second Mine Stage I. Repairs had to be done on one of the machines (Bucket Wheel Excavator) which met an accident.